

5.13. CAPITAL WORKS PROGRESS REPORT 2ND QUARTER 2015-2016

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DEPARTMENT: Operations

RECOMMENDATION

That Council resolves to:

- 1. receive and note the progress of the Capital Works Program for the 2015 - 2016 financial year; and**
- 2. allocate \$30,000.00 from the Asset Register project to the Dixie Shed project; and**
- 3. allocate \$20,000.00 from the Fire Hydrant Project to the Macrossan Street Bin project.**

EXECUTIVE SUMMARY

Council adopted a capital work budget in excess of ten (10) million dollars for the 2015 – 2016 financial year. Attachment 1 to this report details the progress of the capital works program for those works with a budget of \$15,000.00 or more for the period of 1/7/15-1/2/16.

The majority of works have progressed in line with expectations. A number of completed projects have been finalised under budget, achieving a saving to Council of \$408,000 at the time of writing. This figure will change with some projects running over budget but the expectation is that the whole of the programmed capital works will be delivered within budget.

Overall, the delivery of the 2015 – 2016 capital works program has been satisfactory. As project management skills are expanded across the organisation improved project planning, five year project programs and more efficient project delivery will occur. Savings are already being achieved as a result of improved practices.

During the reporting period concept plans were prepared for Stage 2 of the Daintree Gateway (car-park area) and the Flagstaff Hill Walking Trail. Sealing of three important roads has been substantially completed, these being Borzi, Ryker and Old Forestry Roads.

The Degarra Causeway and Whyanbeel Causeway projects were completed, with the shortfall in budget for the Degarra Causeway (\$345,000.00) being addressed through Roads to Recovery funding from the State Government.

Significant and major work has occurred in the Water and Wastewater area with the finalisation of a number of designs and the awarding of contracts, particularly the \$700,000 sewer relining contract.

Key areas of concern remain in the Capping and Leachate Management System for the Killaloe Landfill. Council staff are liaising with consultants and the Department of Environment and Heritage Protection to determine the most sustainable solutions.

BACKGROUND

Council adopted a budget for the delivery of capital works in the Shire for the 2015 - 2016 financial year. The attachment to this report gives a summary of the progress of the capital works program for the period 1/7/15 - 1/2/16. The attachment is in a “traffic light” format so as to provide a quick oversight of the entire program where performance/progress is shown as follows:

Performance Indicators ● Satisfactory ● Marginal ● Unsatisfactory

A shaded month column is also provided in the attachment which shows the anticipated starting month and the months where work is expected to occur and conclude.

COMMENT

Major contracts have been signed for the relining of sewage pipes and concept plans prepared for the Daintree Gateway car-park area and the Flagstaff Hill Walking Trail. Sealing of three important roads is basically complete, these being Borzi, Ryker and Old Forestry Roads. The Degarra Causeway and Whyanbeel Causeway projects were completed, with the shortfall in budget for the Degarra Causeway (\$345,000.00) being addressed through Roads to Recovery funding provided by the State Government. Significant and major work has occurred in the Water and Wastewater area with the finalisation of a number of designs and the awarding of contracts, particularly the \$1,000,000 sewer relining contract.

As Dixie's Shed was not originally part of the adopted Capital Works program, the budget to finalise the restumping of Dixie's Shed will need to be identified. The estimated cost has now been determined as \$40,000. Of this, \$10,000 had previously been made available and to complete the restumping process another \$30,000 is required. It is proposed this budget is taken from the \$30,000 allocated to the Asset Register project.

Significant in-house work has been carried out in relation to the Asset Register and more work needs to be done through the Asset Management Committee before specific funds will be required.

The installation of selected bins in Macrossan Street requires an additional \$20,000 and it is proposed this work is provided from unused funds (\$65,000.00) for the Mill Street Fire Hydrant project.

Whilst there have been some overruns in some areas these can all be covered by a number of projects being under budget and with the exception of the Killaloe Capping and Leachate projects, no major concerns are raised at this stage.

It is recommended that Council note the contents of this report and allocate funds to Dixie's Shed and the Macrossan Street Bin project as described.

FINANCIAL/RESOURCE IMPLICATIONS

Delivery of a capital works program within budget is essential to ensure that Council is financially sustainable and that Council's assets are maintained and developed to meet the needs of communities within Douglas. All areas of Council's Operations Department are now developing three (3) and five (5) year capital works programs which provide a clear strategy for delivery of capital works projects and allow for the necessary planning and financing to occur. It is pleasing that the majority of projects have been delivered well within budget and in most cases by Council staff.

RISK MANAGEMENT IMPLICATIONS

Council must plan and deliver a suitable capital works program to ensure that its assets are able to service the needs of the communities within Douglas Shire. Council has a statutory obligation as a service provider to ensure it is able to provide water and wastewater services to customers. Council's reputation and the community's amenity would suffer if it is unable to maintain assets and service levels at necessary standards. The consequence of inadequate maintenance and upgrade of capital assets will be increased costs in the future.

SUSTAINABILITY IMPLICATIONS

- Economic:** Financial sustainability of the Council would be at risk if capital works programs are not kept within budget, or are not undertaken.
- Environmental:** Failing to maintain assets can lead to environmental impacts through the release of materials to the environment outside of licence conditions. Poorly maintained assets can also have impacts on energy and resource use.
- Social:** Communities expect assets such as roads, bridges and water/wastewater systems to be safe and maintained to necessary standards.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2014-2019 Initiatives:

Theme 2 Building Sustainable Economic Base

Goal 1 – To develop a sustainable Capital Works program that generates local opportunities for employment

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

- Asset Owner:** Meeting the responsibilities associated with owning or being the custodian of assets such as infrastructure.
- Fully Responsible:** Funding the full cost of a program or activity.

CONSULTATION

- Internal:** Consultation has been undertaken with the Managers and Coordinators within the Operations Department and with the Management Team.
- External:** Nil.

ATTACHMENTS

Attachment Capital Works Status Report

Status (Traffic Light)	Capital Works Project	Expenditure to date (committed)	Original budget	Budget Variance on Completed Projects	% Complete	Comment
	Degarra Causeway Upgrade Project	\$ 1,132,625.37	\$ 1,218,500	\$85,874.63	100%	Completed and On Maintenance Period commenced on the 18th November 2015. Final Grants Subsidy Claim submitted.
	Whyanbeel Road Causeway No. 3 Upgrade	\$ 64,175.69	\$ 73,094	\$8,918.31	100%	Completed
	CREB Track First Log Bridge	\$ 128,231.10	\$ 250,000	\$121,768.90	100%	Completed 20/11/2015, As Constructed Drawings submitted and Certified, awaiting final costs for capitalisation submission.
	Cowrie Range Bloomfield Track	\$ 24,729.46	\$ 278,000	\$0.00	10%	Consultant engaged to prepare Detailed Design and Documentation. Construction to be started April/May 2016.
	Meelele Bridge Relieving Slab	\$ 3,018.86	\$ 29,000	\$0.00	15%	Consultant invited submit offer to prepare Detailed Design and Documentation. Construction to be started April/May 2016.
	Reseal Program 2015_16	\$ 412,778.11	\$ 500,000	\$0.00	80%	Spray seal program completed August. Asphalt program underway and stage 1 will be completed after Easter. Rykers Road included in total \$150K in Funding received for Rykers.
	Daintree Ferry Traffic Improvements	\$ -	\$ 50,000	\$0.00	25%	Project plan completed and installation due in March 2016.
	Solander Boulevard Cul-de-sac K&C	\$ 393.82	\$ 133,300	\$0.00	0%	Construction to be completed in March 2016.
	Port Douglas Road - Service Road Upgrade	\$ 48,867.31	\$ 151,500	\$0.00	15%	Construction to be completed in May 2016.
	Avalon Street Footbridge	\$ 5,171.09	\$ 119,000	\$0.00	10%	External design to be commissioned. Procurement to be completed in April 2016.
	Borzi Road upgrade	\$ 150,262.09	\$ 167,000	\$16,737.91	100%	Completed
	Old Forestry Road Upgrade	\$ 130,236.60	\$ 191,000	\$0.00	80%	Majority of works completed. Concrete to causeway approaches after wet. Property alignment issues to be resolved for approx 30m of remaining gravel road.
	Kingfisher Lane Concrete Roadway	\$ 14,218.94	\$ 61,000	\$46,781.06	100%	Completed November 2015 - An extension for a further 30m after recent rains recommended.
	Daintree Gateway Carpark Upgrade	\$ 47,841.42	\$ 70,000	\$0.00	5%	Design only 15/16. Concept design complete and for consultation.
	NDRRA Activation (x3)	\$ -	\$ 288,000	\$0.00	99%	Budget for previous activations.
	Pedestrian and Cycleway Program	\$ -	\$ 70,000	\$0.00	0%	Various projects to be completed throughout the year.
	Grogan Street Footpath	\$ 92,053.09	\$ 142,000	\$0.00	50%	Works to be completed in February, weather dependant.
	Develop a Hiking and Mountain Bike Master Plan	\$ -	\$ 15,000	\$0.00	0%	Final FNQROC Mountainbike Strategy released. Consultant to complete.
	Wharf Street - Asphalt Footpath Upgrade	\$ 20,024.35	\$ 85,000	\$0.00	25%	To be completed in conjunction with stage 2 asphalt overlay project in Wharf Street. Marano's to Spinnaker Close completed.
	Island Point Linking Path/Walking Track	\$ 81.82	\$ 75,000	\$0.00	70%	Contract for concept design and final design awarded to World Trail. Concept design delivered and construction complete. Final design to be completed.
	Bollards - Port Douglas Sports Club and Surf Club and replace Timber Bollards, and Picnic Tables.	\$ 57,235.99	\$ 46,500	\$0.00	66%	Numerous projects nearing completion including post & rail on Port Douglas Esplanade underway or completed. Underestimate of Esplanade works.
	Bells Park - Playground Upgrade	\$ 13,999.00	\$ 20,000	\$0.00	40%	Contractor engaged for supply & installation. Expected March.
	Mossman Depot - Storage Bays	\$ 750.00	\$ 18,000	\$0.00	10%	Project anticipated to be completed in April 2016.
	Wonga Beach Skate Park - Shade Sail	\$ 24,099.38	\$ 22,000	(\$2,099.38)	100%	Completed December 2015.
	Cape Tribulation Playground Shade Sail	\$ 15,954.55	\$ 15,000	(\$954.55)	100%	Completed December 2015.
	Front Street Streetscape	\$ 160,000.00	\$ 200,000	\$0.00	85%	Works to be completed by end February 2016.
	Macrossan Street Bin Replacement	\$ 32,634.00	\$ 30,000	\$0.00	0%	Bins ordered. Additional \$20,000 budget required.
	Port Douglas Fitness Equipment	\$ 30,124.55	\$ 30,000	(\$124.55)	100%	Complete
	Mossman Water Treatment Plant Replace 2 * Air Conditioners	\$ 8,604.25	\$ 15,000	\$6,395.75	100%	Completed
	Port Douglas Sports Complex - Paint Roof and Outside of Building	\$ 34,422.20	\$ 60,000	\$25,577.80	100%	Completed - Additional Works to be reviewed - Look to paint external walls.
	Mossman Nursery - Machinery Shed and Driveway	\$ 117,013.28	\$ 110,000	(\$7,013.28)	100%	Completed
	Sharks Club House - Asbestos Removal and Repairs	\$ 41,281.69	\$ 40,000	(\$1,281.69)	100%	Completed
	Wonga Van Park - Fencing, Storage Shed, Power Box	\$ 51,249.68	\$ 30,000	\$0.00	95%	Shed completed. Fence to be completed March 2016. Scope Project for 2016'17 Power Box Design. Overrun includes emergency works costs requiring capitalisation. Budget to be upgraded from operations budget.
	Port Douglas Depot - Storage Shed	\$ 48,701.81	\$ 40,000	(\$8,701.81)	100%	Completed
	Sugar Wharf Repairs Structural	\$ -	\$ 30,000	\$0.00	10%	Exemption certificate being sought. Due to the work period & current bookings the work may need to be undertaken in 2016'17.
	Mossman Shire Hall Storage Facilities	\$ -	\$ 20,000	\$0.00	0%	On hold awaiting Tenant Relocation/
	Diwan Toilet Refurbishment	\$ 11,862.66	\$ 20,000	\$8,137.34	100%	Completed December 2015.
	Daintree Gateway Toilet - Treatment Installation	\$ 1,376.23	\$ 20,000	\$0.00	10%	Contractor engaged and construction completion expected end of March 2016.
	Mossman Library - Staff Shower Install	\$ 800.00	\$ 20,000	\$0.00	10%	Design phase.
	Mossman Pool - Regrout Tiles	\$ 15,453.64	\$ 30,000	\$0.00	0%	On hold awaiting outcome of lease negotiations. Replacement pool cleaner purchased.
	Asset register	\$ -	\$ 30,000	\$0.00	5%	Propose budget be used to fund Dixie Shed restumping & establishment.
	Black Spot Towers	\$ 304.71	\$ 25,000	\$0.00	30%	Various projects being completed throughout the year.
	4 Mill Street Mossman	\$ 26,558.64	\$ 20,000	(\$6,558.64)	100%	Completed & tenant trading. Exceptional grease trap costs led to overrun.
	Fleet Replacement Program	\$ 25,155.45	\$ 185,000	\$0.00	10%	Some vehicles have been ordered. (Advised on Back Order)
	Scarab Street Sweeper	\$ -	\$ 360,000	\$0.00	10%	Truck specifications have been finalised and a tender process is being evaluated.
	Leachate Management System	\$ 19,600.00	\$ 590,000	\$0.00	5%	The leachate management system and capping projects are inter-related and very complex with significant long term financial implications for Council. A number of options are being considered to best manage the financial and environmental outcomes. Recent completion of water balance study by consultant. Staff currently liaising with DEHP.
	Leachate SCADA Telemetry Reconfiguration	\$ -	\$ 40,000	\$0.00	5%	This is part of the SCADA upgrade being undertaken by Water & Waste Water due for completion June 2016.
	Killaloe Landfill - Capping of Phase A & B	\$ 6,000.00	\$ 572,000	\$0.00	5%	As per leachate item above. Designs for various capping undertaken. Suitable clay recently identified & tested.
	Cow Bay Drainage Improvements	\$ -	\$ 30,000	\$0.00	5%	Quotes obtained. Works to commence March.
	Waste Sites Signage Upgrades	\$ 6,872.36	\$ 20,000	\$0.00	10%	Signage being upgraded progressively.
	Cow Bay Transfer Station Fence Replacement	\$ -	\$ 20,000	\$0.00	5%	Complete in April/May.
	Killaloe Extension of Concrete Apron	\$ -	\$ 20,000	\$0.00	25%	Design complete & to be undertaken with drop bay repairs.
	Drop bay reinforcement. Steel plates to line the bays. Stability of the existing bay walls is questionable. Large fissures, cracks and crumbling occurring.	\$ -	\$ 100,000	\$0.00	10%	Design received.
	Killaloe Surveillance Cameras	\$ 16,679.10	\$ 20,000	\$0.00	60%	Awaiting delivery & installation.
	Waste Tracking System	\$ -	\$ 25,000	\$0.00	15%	Proposal received, currently being assessed.
	Port Douglas Harbour Council Moorings Audit and Repairs	\$ 7,496.61	\$ 20,000	\$0.00	60%	Condition report obtained and first stage of mooring pile upgrade undertaken.
	Local Laws Surveillance Cameras	\$ -	\$ 15,000	\$0.00	5%	Reviewing camera types & storage.
	Disaster Management Software	\$ 28,000.00	\$ 30,000	\$0.00	75%	Disaster Management Software Guardian installation completed and exercise undertaken. Awaiting completion of public interface.
	Disaster Management Radio System Communication Installation	\$ -	\$ 20,000	\$0.00	10%	Trialling equipment before determining final specifications.
	Port Douglas WWTP LLP VSD Control Pumps	\$ 6,647.72	\$ 85,000	\$0.00	10%	Determined specifications and requested quotes for VSD upgrades, Scope of work and design is currently underway with electrical contractor.
	Port Douglas WWTP PLC Upgrade	\$ 166,940.97	\$ 200,000	\$0.00	85%	Installation completed by 18 Dec 2015, Welcon are updating electrical plans to be completed by Feb 2016. Minor program modifications currently ongoing.

